



Employment

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This report reports results from the **WorkFirst Study** (WFS). The study sample of 3000 families was drawn from the statewide list of adults receiving welfare assistance in March 1999. Respondents completed a telephone survey that gathered information on work, education, family, and economic well-being.

This report describes employment experiences for the WorkFirst Study respondents: how many people were employed, average earnings, how many had job benefits, and which personal and family characteristics affected the chances of employment. It also provides preliminary information on the impact of WorkFirst participation on employment.

Findings:

- **The proportion of families receiving TANF fell dramatically after March 1999 when all our respondents were on TANF.** Only half were still receiving TANF by March 2000.
- **Employment increased by more than 10 percentage points over the study period.** Employment increased for families who stayed on TANF as well as for families who left TANF.
- **Average wages for workers have steadily increased from \$7.20 in March 1999 to \$7.80 in June 2000.**
- **The number of hours worked has stayed flat at about 31 to 32 hours per week for those who were employed.**
- **Fewer than half of WorkFirst Study respondents reported receiving benefits like paid leave or health insurance at their most recent job.**
- **Education, work experience, time on TANF, health, and demographic characteristics all affect the chances of employment.**
- **Many WFS respondents have participated in training activities that promote employment.**

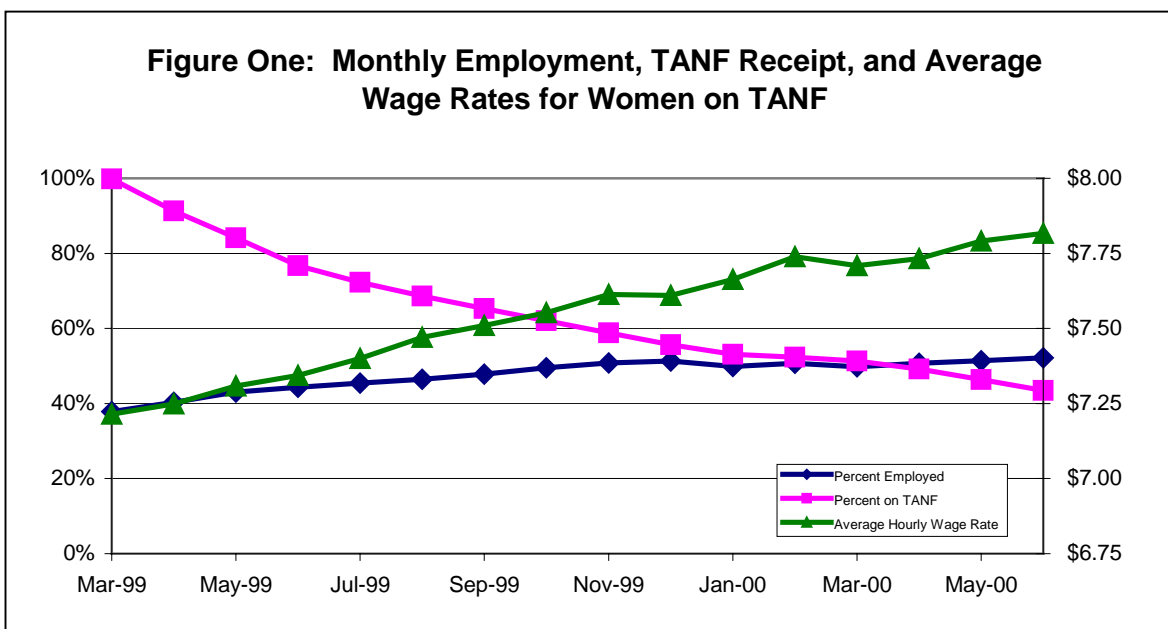
Participation in the Job Workshop and Pre-Employment training increased the likelihood of employment.

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- Figure 1 shows the percentage of WFS respondents who received TANF and who were employed in each month from July 1998 to Mary 2000. All WFS respondents received TANF in March 1999.

The proportion of families receiving TANF fell dramatically after March 1999 when all our respondents were on TANF. By March 2000 only half the families were receiving TANF and by June 2000 only about 40 percent were still on TANF.

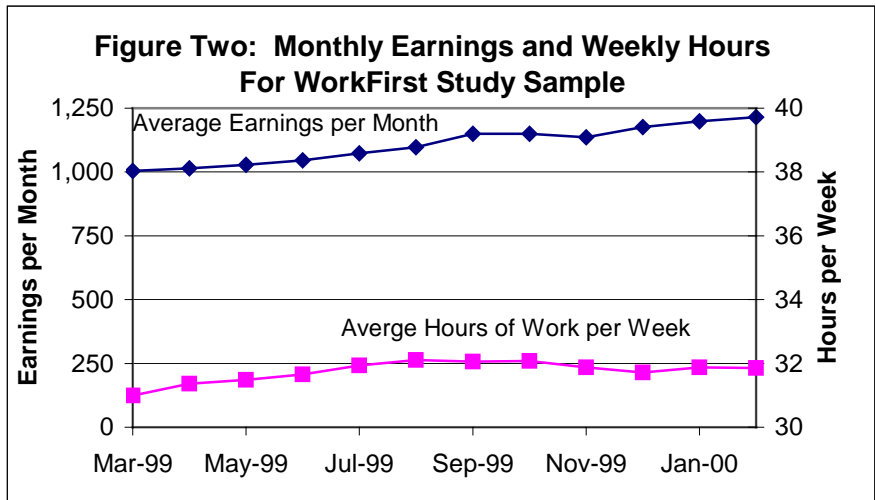


Employment increased by more than 10 percentage points over the study period. About 40 percent of the sample were employed prior to March 1999. Employment fell slightly around March 1999 (when all were on TANF), then rose to just over 50 percent by December 1999.

Average wages for workers have steadily increased from \$7.20 in March 1999 to \$7.80 in June 2000.

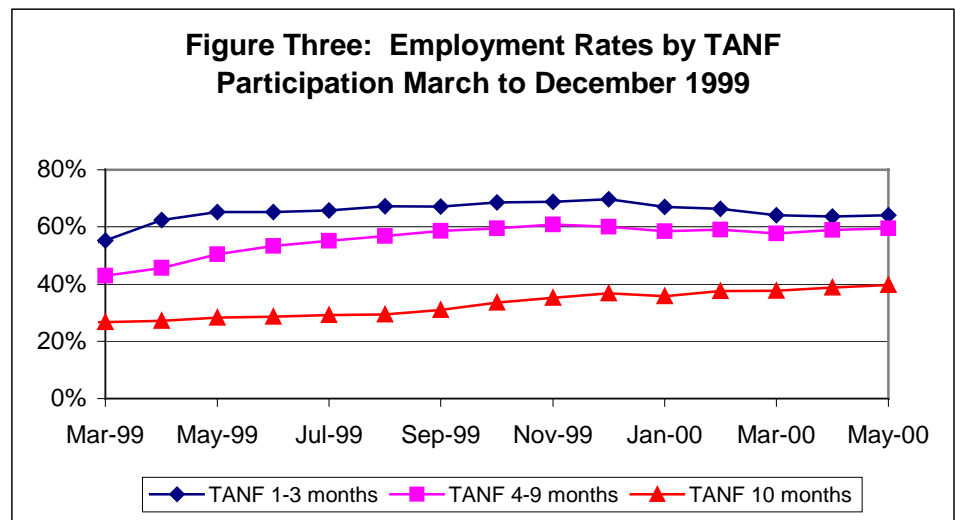
Figure 2 shows the average monthly earnings and weekly hours of work for workers in the WorkFirst Study. The number of hours worked has stayed flat at about 31 to 32 hours per week.

Earnings for workers have increased from an average of \$1000 per month to \$1200 per month between March 1999 and March 2000. Because the number of hours per week has been steady, this increase in earnings has come primarily from increases in hourly wage rates (as shown in Figure 1) and in weeks worked during the month.

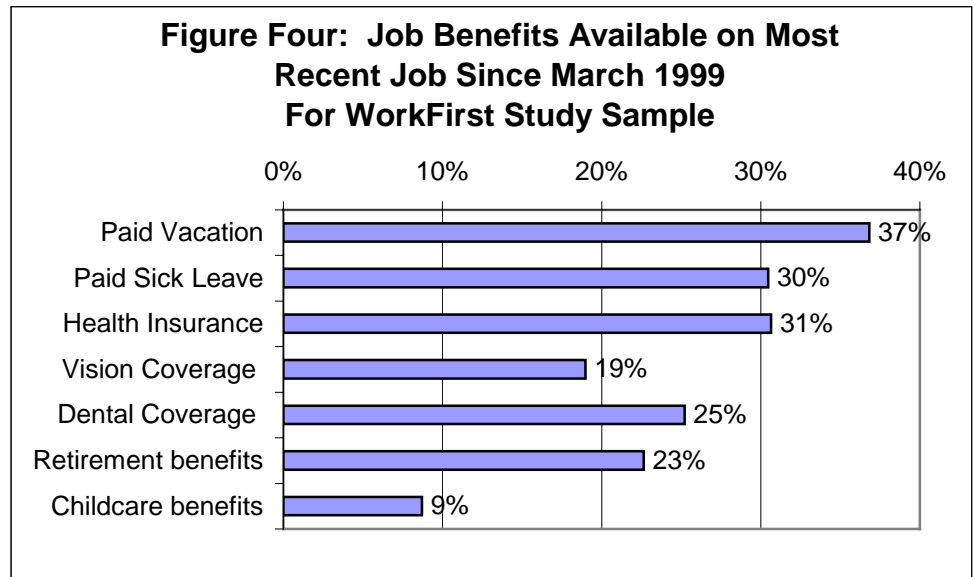


Employment increased for families who stayed on TANF as well as for families who left TANF. For families who received TANF only 1 to 3 months between March 1999 and December 1999, employment increased quickly from about 55 percent in March 1999 to a high of 70 percent in December 1999. Employment dipped slightly after December 1999.

Employment was lower and slower to increase for families who received TANF 4 to 9 out of the 10 months. About 40 percent were employed in March 1999 and 60 percent were employed after December 1999. For families on TANF for the entire period, employment was less than 30 percent in March 1999 and increased steadily to 40 percent by June 2000.



A minority of WorkFirst Study respondents reported benefits at their most recent job. Only about a third of workers reported receiving paid vacation, paid sick leave, or health insurance through their employment. About a quarter of workers had dental coverage or retirement benefits and only 19 percent had vision coverage. Childcare benefits were available to only 9 percent of workers. Benefits were more likely for workers who had left TANF and less likely for those who stayed on TANF.



The Effects of Personal Characteristics on Employment

Education, work experience, time on TANF, health, demographic characteristics all affect the chances of employment. Figure 5 shows the how personal characteristics affected the chances of the WFS respondents being employed in the last quarter of 1999. These estimates are based on multivariate analysis that assesses the effects of all characteristics simultaneously.

Many WFS respondents have participated in training activities that promote employment. Figure 6 shows the proportion of the WFS respondents who were referred to and who completed each WorkFirst activity.

Half of the WFS respondents were referred to the job search workshop. Eighteen percent of WFS respondents were referred to a Work Experience placement, 6 percent to Pre-Employment Training, and 3 percent to Community Jobs. Most of the clients referred to the job search workshop completed it, but only half of those referred to the other work placements or training components completed the activity.

Figure 5: The Effects of Personal Characteristics on the Likelihood of Being Employed in late 1999

Human Capital	
Education	Those with vocational certificates or degrees were more likely to be employed than those with no vo/tech degree
Time on TANF	Those on TANF fewer months were more likely to be employed
Work Experience	Those with more months of recent work experience were more likely to be employed
English ability	Those who were not native English speakers were less likely to be employed
Learning Disability	Those with a diagnosis of Attention Deficit Disorder were less likely to be employed
Health	Respondents reporting their own health as poor or fair were less likely to be employed
Mental Health	Respondents who reported Mental Health care since July 1998 were less likely to be employed
Drug Use	Those reporting drug use since July 1998 were less likely to be employed
Children	Those with children under three and those with more children were less likely to be employed.
Ill child	Those with a child with a chronic illness were more likely to be employed.
Age	Respondents over 40 years old were less likely to be employed.
Race/Ethnicity	White respondents were less likely to be employed than were Latino, African American, or Asian/Pacific Islanders.
Region	Employment was less common for those in the rural areas of Eastern Washington.

Referrals to most of the WorkFirst activities reflected a mix of influences and included effects of some characteristics associated with being more job-ready and some associated with being less

job-ready. However, Pre-Employment Training was generally assigned to clients who were more job-ready and Community Jobs was assigned to workers who were less job-ready.

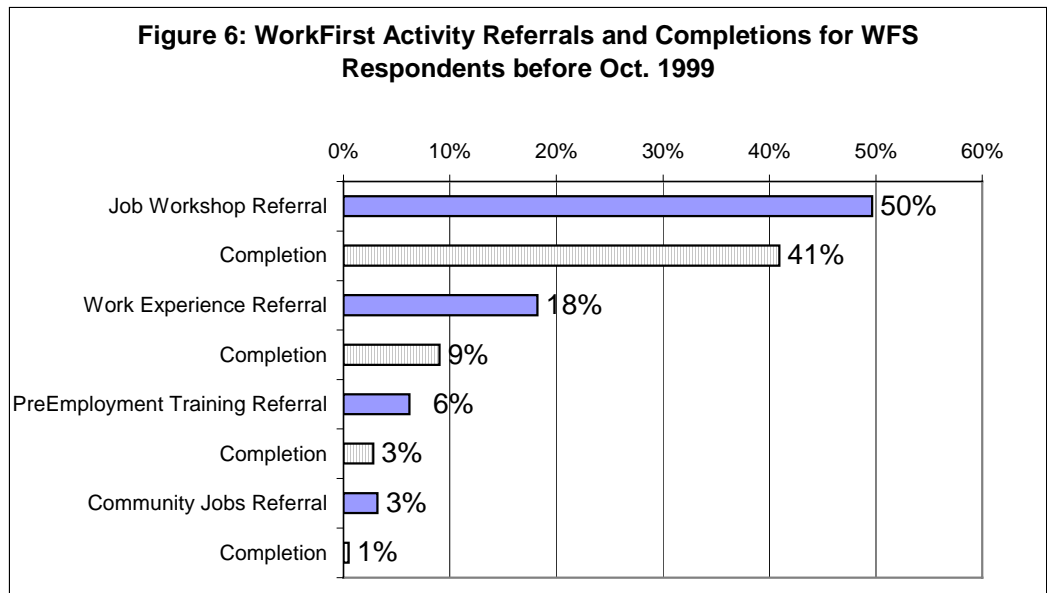


Figure 7: Estimates of the Impact of WorkFirst Activities on the Percent Employed

Activity	Type of Clients Referred to Activity ^a	Estimates of Change in Percent Employed ^b
Job Search Workshop	Mixed	10% **
Work Experience	Mixed	-3%
Pre Employment Training	More job-ready	13% **
Community Jobs	Less job-ready	4%
** Indicates that estimate is statistically discernable from zero		
^a Results based on multivariate logit analysis of chances for referral to each activity.		
^b Estimates are based on multivariate logit analysis of Employment in the 4 th quarter of 1999. The model includes control variables for education, TANF receipt, work experience, health barriers, family structure, region, age, race/ethnicity, adult abuse, teen birth, and parents' welfare receipt.		

Participation in the Job Workshop and Pre-Employment training seemed to increase employment. Figure 7 summarizes the results of multivariate analyses that estimated the impact of the WorkFirst components on the chances WFS respondents would be employed in the fourth quarter of 1999. The analysis simultaneously controlled for the effects of personal family and characteristics.

WFS respondents who participated in the Job Workshop were estimated to be 10 percent more likely to be employed than those who did not participate. Pre-Employment training increased employment by 13 percentage points. Work experience placements and Community Jobs did not have significant effects, perhaps because of the small number of participants who completed the activity prior to the analysis period. The effects of participation in these activities on employment over a longer period of time and the effects on earnings will be explored in future research.